### 37 Am. Jur. 2d Fraud and Deceit § 16

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#### Fraud and Deceit

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- I. Overview
- **B.** Nature and Effect

# § 16. As related to or distinguished from other grounds for relief or of liability—Negligence

Topic Summary | Correlation Table | References

### West's Key Number Digest

West's Key Number Digest, Fraud 1

Fraud and negligence are terms indicative of different states of mind of the actor.<sup>1</sup> Fraud is a malfeasance, a positive act resulting ordinarily from a willful intent to deceive, while negligence is strictly nonfeasance, a wrongful act resulting from inattention, but not from design, and whatever its grade, does not include a purpose to do a wrongful act.<sup>2</sup> However, in some instances, a negligent misrepresentation is considered to be tantamount to actionable fraud.<sup>3</sup> Thus, although negligence and fraud are not synonymous or legally equivalent terms, in a proper case, negligence may be so gross as to take the place of a deliberate intention to work a fraud.<sup>4</sup>

While the question of whether a parcel of real property harbored an unreasonably dangerous condition would be crucial to a negligence-based claim against the vendor, it has no bearing on a purchaser's fraud and misrepresentation claims.<sup>5</sup>

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## Footnotes

- Walter v. State, 208 Ind. 231, 195 N.E. 268, 98 A.L.R. 607 (1935).
- <sup>2</sup> Zero Mfg. Co. v. Husch, 743 S.W.2d 439 (Mo. Ct. App. E.D. 1987); Di Maio v. State, 135 Misc. 2d 1021, 517 N.Y.S.2d 675 (Ct. Cl. 1987).
- Ostreyko v. B. C. Morton Organization, Inc., 310 So. 2d 316 (Fla. 3d DCA 1975).
- Moser v. Spizzirro, 31 A.D.2d 537, 295 N.Y.S.2d 188 (2d Dep't 1968), order aff'd, 25 N.Y.2d 941, 305 N.Y.S.2d 153, 252 N.E.2d 632 (1969).
- M&D, Inc. v. W.B. McConkey, 231 Mich. App. 22, 585 N.W.2d 33 (1998).

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